

FACULTATIVE REINSURANCE SLIP

TYPE OF POLICY	:	All Risks Cover comprising of Sudden and Accidental Physical Loss or Damage, Machinery Breakdown and Business Interruption excluding Machinery Breakdown Loss of Profits
INSURED	:	ABC HOTELS
REGISTERED OFFICE	:	123 ABC ST NEW YORK, NY 10019 UNITED STATES OF AMERICA
BUSINESS ACTIVITY	:	Principally including but not limited to
POLICY PERIOD	:	From: 00:00 Hours of 1st April 2024 To: 24:00 Hours of 31st March 2025 Local Standard Time at the location of the property insured.
INTEREST	:	<p><u>Section I A: All Risks & Section IB: Machinery Breakdown:</u> All real and personal properties of every kind and description belonging to the insured including work in process (other than properties referred under Property Excluded) and property held in consignment, care, custody and / or control/lease of the insured, assets of business associates in care and custody of the insured (for repair & maintenance purpose or otherwise), assets of the insured kept with business associates of insured (for repair & maintenance purpose or otherwise) whilst in operation or repair(s) or maintenance or in storage or during movement within the site / location or whilst at rest, maintenance or repair or being dismantled or moved for the purpose of repair, maintenance, cleaning, inspection, overhauling or being re-erected in another position within the locations mentioned in the schedule or while carrying out minor works, including Locomotive and railway siding.</p> <p>Insurer agrees to consider insured as sole and unconditional owner of the improvements/betterments notwithstanding any contract or lease to the contrary.</p> <p>Property of others that the insured has agreed to insure prior to loss or damage including property not in care, custody and control and at the insured's option the interest of the owner of such property.</p> <p>Property at any insured location rented, leased, used, purchased or acquired by the insured after inception of the policy</p> <p><u>Section II: Business Interruption:</u> To indemnify the Insured in respect of Loss of Gross Profits where the loss is actually sustained during the indemnity period resulting from a reduction in turnover including any increased cost of working due to an interruption of the Insured's business following loss or damage to any property and / or assets insured by any peril not excluded under the policy and admissible under Section IA.</p>
SUM INSURED (EXPIRING)	:	<p>Section I A – USD 1,000,000,000 Section I B – USD 150,000,000 Section II A – USD 50,000,000</p> <p>Total Sum Insured – 1,200,000,000</p>

DEDUCTIBLE	:	All other loss: \$10,000,000 per occurrence Earthquake: 5%, minimum \$5,000,000 and maximum \$25,000,000 per occurrence Windstorm: 5%, minimum \$5,000,000 and maximum \$25,000,000 per occurrence Flood: \$10,000,000 per occurrence
ADD ON COVERS/ CONDITIONS/ EXCLUSIONS	:	As per annexure A
CHOICE OF JURISDICTION	:	UNITED STATES OF AMERICA
REINSURER LIMIT OF LIABILITY	:	Primary USD 50,000,000 each and every loss Excess Original Policy Deductibles
100% PREMIUM (RENEWAL)	:	USD 7,000,000 (100%) annual

ANNEXURE A - ADD ON COVERS/ CONDITIONS/ EXCLUSIONS:

CONDITIONS	
CONDITIONS APPLICABLE TO SECTIONS I A AND I B	
<ol style="list-style-type: none">1. Basis of Indemnification – All Property (Other than Stock, Refractories & Consumables and Catalysts)2. Basis of Indemnification – (Stock, Refractories & Consumables and Catalysts)3. 72 Hours Clause4. Automatic Reinstatement5. Civil Authorities6. Obsolete Equipment7. Brands and Trademarks8. Unrepaired Damages9. Property Plant Testing and Commissioning Clause10. Right of Inspection11. Waiver of Recourse12. Boiler and Pressure Plant Warranties13. Due Diligence14. Repairs15. Removal16. Seepage and/or Pollution and/or Contamination Exclusion	
CONDITIONS APPLICABLE TO SECTION II A	
<ol style="list-style-type: none">1. Deferred Indemnity Period2. Departmental Clause3. Intermittent Product Clause4. Output/Turnover Basis5. Alternative Premises Clause6. Accumulated Stocks Clause7. Aggravation Clause8. Adequacy of Insurance9. Premium Adjustment10. New Business Clause	
CONDITIONS APPLICABLE TO ALL SECTIONS	
<ol style="list-style-type: none">1. Primary and Non-Contributory Clause2. Designation of Property Clause3. Due Diligence4. Mis-Description5. Fraud6. Errors and Omissions7. Alterations8. Claims9. Deductibles10. Highest Single Deductible11. Interim payments12. No Control	

13. Bankruptcy
14. Expiration
15. Cancellation
16. Arbitration
17. Applicable Law
18. Adequacy of Sum Insured: It is noted and agreed that claims up to Rs.100 crores (Property Damage plus Business interruption) shall be settled without application of the average clause. No Average Clause shall be applicable to the first loss limit provided under the Add-on Covers.
19. Waiver of Under Insurance up to 15% in addition to the adequacy of insurance as aforementioned.
20. Loss Payee
21. Premium Clause
22. Nominated Surveyors Clause
23. Waiver of Subrogation
24. Co-Insurance Clause
25. Electronic Data Endorsement B
26. Toxic Mould Exclusion Clause
27. War and Civil War exclusion
28. Terrorism Exclusion Warranty
29. Radioactive Exclusion
30. Pollution/Contamination Exclusion
31. Biological and Chemical Material Exclusion Clause
32. Sanction Limitation and Exclusion Clause
33. Event Definition
34. Properties under Consignment, Care, Custody and Control
35. Multiple Insureds Clause
36. Communicable Disease Endorsement / Infectious Diseases Exclusion :Clause as per LMA 5393

ADD ON COVERS & LIMITS		
SECTION IA (PROPERTY DAMAGE) & SECTION IB (MACHINERY BREAKDOWN)		
#	COVER	LIMIT OF LIABILITY
1	Additional Expenses	USD 10,000,000 EEL and in aggregate
2	Automatic Increase	5% of the Property Damage Sum Insured
3	Professional Fees	USD 20,000,000 EEL and in aggregate
4	Demolition, Debris Removal and Dewatering Expenses	USD 10,000,000 EEL and in aggregate
5	Plans, Documents & Computer Records	USD 10,000,000 EEL and in aggregate
6	Shut down / Start-up Expenses	USD 10,000,000 EEL and in aggregate
7	Minor Works	USD 5,000,000 EEL and in aggregate
8	Capital Additions	USD 10,000,000 EEL and in aggregate
9	Temporary Removal	USD 5,000,000 EEL and in aggregate
10	Off Premises	USD 10,000,000 EEL and in aggregate
11	Inadvertent Omission	USD 10,000,000 EEL and in aggregate

12	Loss Minimization/ Loss Prevention Expenses	USD 10,000,000 EEL and in aggregate
13	Unnamed Locations	USD 10,000,000 EEL and in aggregate
14	Underground Mines	USD 10,000,000 EEL and in aggregate
15	Decontamination and cost of clean-up expenses	USD 10,000,000 EEL and in aggregate
16	Non-Owned Assets	USD 10,000,000 EEL and in aggregate
17	Hire Purchase or lease agreement	USD 10,000,000 EEL and in aggregate
18	Fire Fighting/Extinguishing Expenses	USD 5,000,000 EEL and in aggregate
19	Involuntary Betterment	USD 10,000,000 EEL and in aggregate
20	Transmission & Distribution lines	USD 50,000,000 EEL and in aggregate
21	Additional Custom Duty	USD 10,000,000 EEL and in aggregate
22	Inland Transit	USD 10,000,000 EEL and in aggregate
23	Deliberate Damage Cover/Increased Cost of Construction	USD 10,000,000 EEL and in aggregate
24	Green Clause	USD 10,000,000 EEL and in aggregate

SECTION II A & II B - BUSINESS INTERRUPTION

#	COVER	LIMIT OF LIABILITY
1	Customer, Suppliers & Fabricators Extension	<ul style="list-style-type: none"> Suppliers and/or Customers and/or Utilities extension up to first tier or direct suppliers/customers/public utilities Premises of Name customers & suppliers for a maximum limit of 20% of the limit of indemnity (Business Interruption Sum Insured/ Loss Limit) and not to exceed USD 10,000,000. Any one loss or aggregate. Coverage to be restricted to FLEXA perils for Overseas customer/suppliers, whereas coverage to be restricted to FLEXA and AOG perils for Domestic customer/suppliers. Premises of Un-named customers & suppliers located in India, for a maximum limit of 10% of the limit of indemnity (Business interruption Sum Insured/ Loss Limit) and not to exceed USD 10,000,000. any one loss or aggregate and coverage restricted to FLEXA perils only. No cover for unnamed suppliers/customers located overseas.
2	Utilities and Services Extension	<ul style="list-style-type: none"> Public utilities for a maximum limit of 17% of the limit of indemnity (Business Interruption Sum Insured/ Loss Limit) and not to exceed USD 10,000,000. any one loss or aggregate. Coverage to be restricted to the terminal ends of the utilities and due to FLEXA and AOG perils. The limits specified above are in aggregate across all onshore customers/ suppliers/public utilities respectively.

		<ul style="list-style-type: none"> Assets like pipelines, transmission & distribution lines, cables etc. extending beyond the suppliers and / or customers and/ or utilities premises are excluded from coverage (Other than for which coverage is specifically granted).
3	Prevention of Access	<p>Prevention of access with maximum limit of 30 days (over & above policy time excess) and with maximum radius of 5 kilometers from Insureds premises & only inland. Coverage under this section shall extend to include loss or reduction resulting from cessation, interruption, interference, or in habitation to the business as consequence of physical destruction or damage to property belonging to insured or property within radius of 5 kms from the insureds premises (inland only) which prevents or hinders the use of or access to the premises (excluding port blockage). Limit: USD 10,000,000 any one loss or aggregate</p>
4	Professional Fees	USD 10,000,000 EEL and in aggregate
5	Additional Increase in Cost of Working	USD 25,000,000 EEL and in aggregate
6	Interdependency Clause	USD 12,000,000 EEL and in aggregate
7	Claim preparation Clause	USD 100,000 EEL and in aggregate

KEY EXCLUSIONS:

- Sanctions Limitation Exclusion Clause
- Political risk exclusion
- Nuclear energy risk exclusion clause
- Terrorism exclusion clause
- Electrical data recognition clause
- Information Technology Clarification agreement
- Radioactive exclusion clause
- Cyber risk exclusion clause
- Contagious Disease / COVID-19 Exclusion Clause